

**MINUTES OF THE
JOINT PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
TUESDAY, FEBRUARY 12, 2008, 5:15 P.M.
Capitol Room 445, State Capitol Complex**

Members Present: Sen. Howard A. Stephenson, Co-Chair
 Rep. Bradley G. Last, Co-Chair
 Sen. Lyle W. Hillyard
 Sen. Patricia W. Jones
 Sen. Kevin T. VanTassell
 Rep. Tim M. Cosgrove
 Rep. Brad L. Dee
 Rep. Lorie D. Fowlke
 Rep. Gage Froerer
 Rep. Gregory H. Hughes
 Rep. Ronda Rudd Menlove
 Rep. Karen W. Morgan
 Rep. Phil Riesen
 Rep. Aaron Tilton
 Rep. Carl Wimmer

Staff Present: Ben Leishman, Legislative Fiscal Analyst
 Patrick Lee, Legislative Fiscal Analyst
 Cherie Schmidt, Secretary

Public Speakers Present: Larry Shumway, Deputy Superintendent, USOE
 Kevin Carter, Director, SITLA

A list of visitors and a copy of handouts are filed with the committee minutes.

Committee Co-Chair Stephenson called the meeting to order at 5:30 p.m.

1. **School LAND Trust Program** - Co-Chair Stephenson indicated that additional information had been received concerning the School LAND Trust Program. He stated that it is the feeling of the Co-Chairs that the proposal for earmarking a percentage of the funds should have greater scrutiny during the Interim. Co-Chair Stephenson also said that the Subcommittee did not want to undermine the continuation of the program and the people who are currently working in the School Trust LAND Program. Ben Leishman, Legislative Fiscal Analyst, explained the proposal. Mr. Leishman stated that basically the proposal is to continue the Trust Lands appropriations at a level to maintain the current staff including those that were hired on a temporary basis. He stated that the State Office of Education has indicated that the ongoing cost to provide this level of staffing through FY 2009 is \$482,400 of which they are requesting \$407,000 in Trust

Lands funding with the remainder coming from mineral lease revenues that are already currently supporting the program. This funding will take them through the next year to where the Subcommittee can discuss the administration of the program, level, and scope of the Trust Lands.

Dr. Larry Shumway, Deputy Superintendent, USOE, stated that the State Office supports this proposal. Kevin Carter, Director, School Institutional Trust Lands Administration, also gave his support for this proposal.

Co-Chair Stephenson indicated that a review will be conducted during the Interim of this request for the 2.5 percent earmarked appropriation.

MOTION: Co-Chair Last moved that the Subcommittee appropriate \$407,416 from the Interest and Dividends Account—the School Lands and Dividends Interest Account for the administration of the program for FY 2009.

The motion passed unanimously with Rep. Cosgrove absent for the vote.

MOTION: Co-Chair Last moved the issue of the administration of the School LAND Program be an interim study item for the Subcommittee during the 2008 Interim.

The motion passed unanimously.

2. **Discussion of FY 2008 and FY 2009 Budget Issues** - The first item discussed in this agenda item was WPU Increase, Educator & Agency Compensation. Ben Leishman, Legislative Fiscal Analyst, referred to a handout entitled, *Public Education Appropriations Subcommittee - 2008 General Session*. Mr. Leishman indicated that the Subcommittee has been asked to include all aspects of education in appropriations on the priority list. This would include Subcommittee input on the WPU increase, continuing or increasing the educator salary adjustments that were provided last year, employee compensation, and not included on the list charter school local replacement. The handout lists the following:

One-time Funding Items—List of Potential New Funding Items (Includes Ongoing, One-time, and Supplemental Requests)

MSP	WPU increase - \$25.5 million for Each 1 percent
MSP	Educator Salary Adjustment - \$92.2 million to provide \$2,500 (Employee Grant) to H.B. 382 Educator Categories
Agencies	Agency Employee Compensation - \$375,000 for each 1 percent & \$559,200 for Health Benefits
MSP	Charter School Replacement

Mr. Leishman also indicated that he would recommend placing Employee Compensation on the priority list and connecting it with the amount decided by the Legislature for Employee Compensation.

Mr. Leishman also explained the handout entitled, *List of Potential New Funding Items*. Another handout was also referred to which is a proposal put together by the Co-Chairs as far as funding priorities.

Discussion among the Subcommittee members centered around the different programs and their number in the priority list.

3. Committee Action -

MOTION: Co-Chair Last moved to recommend a \$2,500 direct pay increase to teachers plus a 3 percent WPU increase.

SUBSTITUTE MOTION: Rep. Dee moved to include Co-Chair Last's WPU comments plus a \$92.2 million for teacher compensation.

This motion was withdrawn.

AMENDED MOTION: Rep. Last moved to modify the original motion by appropriating \$92.2 million to the Direct Teacher Compensation and a 3 percent WPU increase.

The motion passed unanimously.

MOTION: Sen. Hillyard moved that the Agency Employees Compensation and Health Benefits be placed at the 3 percent level and include health insurance as part of the package.

Ben Leishman, Legislative Fiscal Analyst, clarified a question posed by Rep. Cosgrove concerning the Agency Employees Compensation. This refers to the Operating Divisions of the State Office of Education and other State-Wide Support Agencies. Teachers are included in the Educator Salary Adjustments.

The motion passed unanimously.

MOTION: Co-Chair Last moved to appropriate \$6 million in Charter Local Replacement which money would be placed back in the budget if Rep. Bigelow's bill passes.

The motion passed unanimously.

MOTION: Co-Chair Last moved to accept the ongoing amounts listed on the priority sheet as Subcommittee recommendations.

The motion passed unanimously.

MOTION: Co-Chair Last moved to have Character Education placed one line above in the priority list.

The motion passed unanimously.

Co-Chair Stephenson volunteered reducing Line 4 - 21st Century Teaching & Learning Technology from \$50 to \$30 million and moving the remaining \$20 down below Line 22 - Math/Science Teacher Recruitment and Retention.

MOTION: Sen. Van Tassell moved to change the number on Line 4 - 21st Century Teaching & Learning Technology to \$30 million and insert with the same terminology of Line 4 between Line 22 - Math/Science Teacher Recruitment and Retention and Line 23 - We Shall Remain - Native American Education Funds.

SUBSTITUTE MOTION: Rep. Dee moved to take the \$50 million for 21st Century Teaching & Learning and reduce the amount to \$20 million.

The motion failed in the House and passed in the Senate. The motion failed. Those voting in favor of the motion were Sen. Hillyard, Rep. Fowlke, Rep. Froerer, Rep. Hughes, and Rep. Wimmer. Those voting against the motion were Co-Chair Stephenson, Sen. Jones, Sen. Van Tassell, Co-Chair Last, Rep. Cosgrove, Rep. Menlove, Rep. Morgan, Rep. Riesen, and Rep. Tilton.

The original motion passed unanimously.

MOTION: Co-Chair Last moved to approve the priority list of one-time funding.

SUBSTITUTE MOTION: Rep. Fowlke moved to place Line 17 - S.B. 180 Regents' Scholarship Program of \$50 million and Line 22 - Math/Science Teacher Retention and Recruitment to the bottom of the priority list.

AMENDED SUBSTITUTE MOTION: Rep. Fowlke amended her substitute motion by moving to change Line 17 - S.B. 180 Regents' Scholarship Program from \$50 million to \$30 million, take the \$20 million with the same description and place it at the bottom of

the list, and strike \$20 million on Line 22 - Math/Science Teacher Retention and Recruitment.

The motion passed unanimously with Rep. Hughes absent at the time of voting.

MOTION: Rep. Menlove moved to restore the Educator Extended Year for Special Education to ten days, with seven days funded with one-time funds.

The motion passed with Co-Chair Stephenson and Rep. Morgan voting against the motion.

Rep. Hughes was absent for the vote.

MOTION: Co-Chair Last moved to approve the amended list as the Subcommittee's one-time appropriation recommendation.

The motion passed unanimously with Rep. Hughes and Rep Tilton absent for the vote.

MOTION: Rep. Wimmer moved to approve the Intent Language for the Technology Assisted Instruction in Public Education.

The motion passed unanimously with Rep. Froerer, Rep. Hughes, Rep. Morgan, Rep. Riesen, and Rep. Tilton absent for the vote.

4. **Other Business** - There was no other Subcommittee business.

5. **Adjourn** -

MOTION: Co-Chair Last moved to adjourn.

Co-Chair Stephenson adjourned the meeting at 7:12 p.m.

Minutes were reported by Cherie Schmidt, Secretary

